HABITAT MONTANA

REPORT TO THE 66th MONTANA LEGISLATURE

JANUARY 2019



Lazy Creek Conservation Easement (Photo Credit: © kestrelaerial.com)



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OVERVIEW

This report provides the history of Habitat Montana and summarizes Habitat Conservation projects completed by Montana Department of Fish, Wildlife and Parks (FWP) from January 1, 2017 to December 31, 2018 using HB 526 (also referred to as "Habitat Montana") and other funding sources. Habitat Montana was originally established through legislation passed by the 1987 Montana Legislature (MCA 87-1-241 et seq.). A program rule (ARM 12.9.511) further directs FWP to apply Habitat Montana administrative rules to all of FWP's wildlife habitat acquisition programs, where appropriate.

Between January 1, 2017 and December 31, 2018, FWP invested in 55,663 acres of conservation through a combination of fee title acquisition and conservation easement (Tables 1 and 2). This includes 6 fee title projects totaling 1,564.95 acres and 9 conservation easement projects totaling 54,097.61 acres. These projects were completed (and are scheduled to be completed by the end of December 2018) using a variety of funding sources totaling \$45,129,400, including \$14,940,490 of HB526 (Habitat Montana) funds.

As of the end of December 2018, FWP holds 56 Habitat Montana wildlife conservation easements covering 293,239 acres and costing approximately \$41.34 million in Habitat Montana funds; this includes those projects scheduled to close in Table 1. Fee title ownership purchased through the program totals 130,117 acres, costing \$48.78 million in Habitat Montana funds. Habitat Montana projects by area are 54% easements, 31% fee title, and 15% lease.

Please note: while compiling the fee title acreage data, an error was discovered in the 2017 Habitat Montana Legislative Report. That document reported 135,520 fee title acres purchased using Habitat Montana funds. While tabulating acreages, which included Fish Creek WMA, the Fish Creek State Park acres were inadvertently included in the 2017 tabulation. A new Land Information Database System administered by FWP revealed this 2017 reporting error. The error also affected what was reported in 2017 for the total fee-title acreage managed by the Wildlife Division. These figures have been corrected for this report.

In total, the Wildlife Division is responsible for 386,887 acres in fee title, 64,475 acres of leases/rights of way (associated with Wildlife Division-managed lands), and 494,260 acres in conservation easements.

HISTORY OF HABITAT MONTANA

The Montana Department of Fish, Wildlife and Parks has been involved with conserving key wildlife habitats since 1940, with the initial purchase of 1,004 acres of crucial elk winter range along the east foothills of the Little Belt Mountains for \$4.50/acre, known today as the Judith River Wildlife Management Area. This set the stage for emphasizing the value of habitat conservation in Montana, which continues today for FWP and a broad array of conservation partners. During these early

years, there was no specific funding source to purchase, conserve, and manage important wildlife habitats. When key habitats were for sale and dollars were available, land was acquired and became part of the Department's system of wildlife management areas, ensuring these habitat areas would continue to support critical wildlife needs, related recreation opportunities, and other related values for generations.

House Bill 526

A fundamental concern dating back to the 1940s, but still true today, is the interest in keeping priority wildlife populations abundant through conservation of key seasonal habitats. Conserving wildlife habitat and providing compatible outdoor recreation are considered by many citizens to be important endeavors that support Montana's way of life. In the 1980s, conservationists discussed the possibility of setting aside consistent funding for the Department for purchasing priority habitats when they became available and, of equal importance, to provide consistent funding for managing properties once acquired.

The 1987 Montana Legislature saw the introduction of HB 526, which would be funded with hunting license fees. The debate was between those who did not want the Department buying land and those who saw habitat conservation as the foundation for maintaining priority wildlife populations. The compromise by the legislature was authority given to the Department to purchase

interests in land, with the legislature directing the agency to attempt conservation easements or lease before fee title acquisition. Fee title purchase was still allowed because the legislature understood the landowner would determine which method was in their best interest.

HB 526 became reality and is currently generating about \$5-6 million per year for conserving "important habitat that is seriously threatened". Approximately



Mule deer buck harvested by a young hunter on the newlypurchased Horse Creek Complex Conservation Easement (Photo Credit: R. Nottestad).

92% of revenue for this program comes from nonresident hunting licenses. Discussed in more detail under **Managing Conservation Lands**, Habitat Montana also generates about \$750,000 annually for conducting maintenance work.

Early Years to Present Day

From the very beginning of Habitat Montana, FWP tried to implement the intent of the legislation, but its success was limited. The reason was twofold: first, the Department was unfamiliar with conservation easements and needed to develop its expertise on implementing this conservation tool; and second, landowners were skeptical of easements. These two problems no longer exist.

The first year that Habitat Montana funding was available, the Department purchased two properties in fee title, the Robb Ledford Wildlife Management Area (WMA) and an addition to the Blackfoot-Clearwater WMA.

In 1989, the second year of operation, two additional WMA's were purchased. A major effort to acquire a conservation easement on the Brewer Ranch changed to a fee title purchase at the request of the landowner. The Department assured the FWP Commission that easement terms would be placed on the Brewer property and then sold. This happened five years later.

In 1990, FWP purchased its first wildlife conservation easement (160 acres adjacent to Dome Mountain Wildlife Management Area). In 1992, FWP made an agreement with a landowner to enter into a five-year management agreement which both parties hoped would lead to a conservation easement, which did happen in 1998.



Volunteers clean up an old building site on the newly acquired addition to Fish Creek Wildlife Management Area, Mineral County (Photo Credit: M. Thompson).

A major threshold was crossed in 1994 with the success of exchanging the Brewer property, with easement terms in place, for an easement on the Page/Whitham property north of Fort Peck Reservoir. Interest by the agricultural community accelerated with the involved landowner answering many questions from interested landowners. Since then, FWP has had a variety of project proposals to select from.

The 1991 Legislature directed FWP to review its habitat program. The Department hired two consultants, Econ, Inc. to look at FWP administrative functioning for the program, and

Canyon Consulting, Inc., to evaluate public participation in the program.

In September 1992, Canyon Consulting recommended implementing a policy that defined the public benefits to be derived from the habitat program. The Commission adopted policies through the administrative rule making (ARM) process, directing FWP to provide the following public benefits (ARM 12.9.510):

- Conserve and enhance land, water, and wildlife
- Contribute to hunting and fishing opportunities
- Provide incentives for habitat conservation on private land
- Contribute to non-hunting recreation
- Protect open space and scenic areas

- Promote habitat-friendly agriculture
- Maintain the local tax base, through payments in lieu of taxes for real estate, while
 demonstrating that productive wildlife habitat is compatible with agriculture and other
 land uses.

One of Econ's main recommendations, to develop a comprehensive statewide plan, was completed in 1994, the 'Statewide Habitat Plan, an implementation of FWP Commission Habitat Montana Policy'.



Staff from FWP work with a neighboring rancher, evaluating the prospects of livestock grazing to achieve habitat enhancement objectives on Spotted Dog WMA and adjacent lands, Powell County (Photo Credit: M. Thompson).

In 1993, the Wildlife Division Administrator asked for a habitat mapping effort from the Regional Wildlife Managers to discern which habitats were the most at risk. The habitats defined in the Statewide Plan are 1) Montane Forest, 2) Intermountain Grassland, 3) Riparian/Wetland, 4) Shrub-Grassland, 5) Prairie Forest, and 6) Prairie Grassland. In a display of unanimity, every region identified Intermountain Grassland, Riparian/Wetland, and **Shrub-Grassland** as the habitats most in need of attention. Intermountain Grasslands are choice areas for residential development. Such subdivisions can disrupt winter range for wildlife as well as affect wildlife

movements and migration routes. <u>Riparian and wetland habitats</u> comprise less than 5% of the state but are highly productive habitats. Many species of wildlife depend on these habitats in some stage of their life cycle. Because of site productivity, riparian habitats in particular are often subject to conversion to other uses. <u>Sagebrush-grasslands</u> have diminished across the West, including in Montana. This is a habitat of special concern. Montana is a leader in sagebrush conservation in a state where half of these habitats are in private ownership. Priority habitats of the program have remained largely the same and are further detailed in the current State Wildlife Action Plan for Montana published in 2015. This document can be downloaded from the FWP website: http://fwp.mt.gov/fishAndWildlife/conservationInAction/actionPlan.html

In 1998, the FWP Commission asked for an internal audit of the conservation easements. This was divided into two sections, a review of the legal aspects of the easements, and a review of the rigor of the baseline inventory reports. Fifteen easements were chosen by the legal audit contractor, Knight, Masar and Harris, Attorneys at Law. The contractor working on baselines did likewise. The audit, delivered in 1999, showed no major problems with the easements and associated baselines.

In 2000, the other 15 easements were reviewed, again with no major problems. The primary author of the report, Robert Knight, came before the Commission to answer questions. He said the language and form of the easements were up to date and there were no specific problems. Department staff from the Wildlife Division, Legal Unit, and Lands Unit work regularly on updating and formulating new conservation easement language to adapt to changing concerns, continued experience, and improvements in conservation easement standards.

A broad base of public support resulted in the 2005 Legislature removing the sunset provision for HB526, making Habitat Montana permanent. The program has resulted in substantial conservation accomplishments, which are summarized in the Overview section of this report.

Over the program's history, FWP's work on wildlife land projects have varied. Early efforts using Habitat Montana funds focused on expanding existing wildlife management areas such as the Blackfoot-Clearwater (deer and elk winter range), Judith River (elk winter range) and Ninepipe (wetlands/waterfowl and pheasant habitat) or acquiring new WMA's such as Robb/Ledford (elk winter range), Dome Mtn.(elk winter range), and Mt. Silcox (bighorn sheep winter range).



FWP field review to determine silvicultural prescriptions for a portion of the Blackfoot-Clearwater WMA, Missoula County (Photo Credit: M. Thompson).

Gradually, the focus shifted toward conservation easements on important habitat types including big sagebrushgrassland (Brewer, South Ranch, Fluss, Cowell, Peters); riparian (Hirsch, Bice, Hart); and intermountain grassland (Keogh, Maher, Bolin, and Sieben Ranch Ranch) as examples.

With the establishment of the Forest Legacy Program in Montana (see **Forest Legacy Program** section for more information), FWP broadened the scope of habitat conservation to include high priority forest lands that are at risk of conversion. This has resulted in a number of predominantly

forested lands enrolled in FWP conservation easements, including the Thompson-Fisher, North Swan, Kootenai Forestlands, and Haskill Basin.

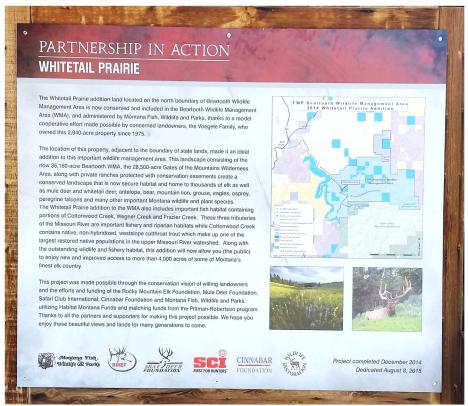
Since the start of Habitat Montana in 1987, the state legislature has adopted statutes with specific requirements for land acquisition processes. FWP's wildlife land acquisitions include the following program and statutory process requirements (this list does not include negotiation, due diligence, and other real estate transaction steps): 1) internal request for habitat proposals; 2) proposal ranking and initial selection using standardized ranking criteria; 3) initial endorsement by the Fish and Wildlife Commission; 4) conduct public scoping (for projects of 640 acres or larger); 5) develop a Management Plan for the property; 6) work with the county weed coordinator to assure weed

management compliance on fee title projects; 7) develop a Montana Environmental Policy Act (MEPA) environmental assessment that includes analyses of potential impacts to social/economic values, neighboring properties, tax revenue, government services, employment opportunities, local schools, and private businesses; 8) make documentation available to adjacent landowners as well as the general public; 9) notify the affected county commission with project details and analysis materials; 10) conduct a public hearing during the public review period; 11) publish a decision notice; 12) if the project remains viable, present the project for final approval(s).

Partner Support

Habitat Montana came into existence from a need felt by the people of Montana. Montanans cherish their wildlife and outdoor opportunities. Montana hunters, outdoor recreationists, and conservation organizations have long considered the Habitat Montana Program essential to their interests, and without their support this program would not exist today. Conservation organizations have often partnered with FWP to protect tracts of important habitat for their mutual conservation benefit. Partners include: Private Landowners; The Nature Conservancy; Rocky

Mountain Elk Foundation;



One of many examples of successful conservation partnerships (Photo Credit: C. Loecker).

Ducks Unlimited; Pheasants Forever; Vital Ground; National Wild Turkey Federation; Mule Deer Foundation; Trout Unlimited; Safari Club International; Cinnabar Foundation; The Trust for Public Land; The Conservation Fund; The Confederated Salish-Kootenai Tribes; United States Forest Service; United States Bureau of Land Management; United States Fish and Wildlife Service; Bonneville Power Administration; Montana Fish and Wildlife Conservation Trust; Blackfoot Challenge; Montana Wildlife Federation; Northwestern Energy; PPL-Montana; Butte Skyline Sportsman Association; Anaconda Sportsmen Club; Montana Audubon; Five Valleys Land Trust;

Flathead Land Trust; and many other organizations. The program has a committed constituency that values enduring conservation.

Forest Legacy Program

The Forest Legacy Program is administered by the U.S. Forest Service (USFS) in partnership with state agencies. Montana has greatly benefited from this program since its start in the state in 2000. Assigned to FWP by Governor Racicot, the program has complemented Habitat Montana by broadening FWP's scope of priority habitats, to also include forestlands of high habitat importance. With over a decade of experience implementing Habitat Montana, taking on state administration of the Forest Legacy Program was a natural fit for FWP.

Forest Legacy's purpose is to conserve privatelyowned forests of national significance, primarily through conservation easements. The program serves to keep forests intact and managed for



Stimson Lumber Co. representatives and conservation partners meet on the Kootenai Valleys Conservation Easement during a 5-year performance review of Montana's Forest Legacy Program, Lincoln County (Photo Credit: R. Northrup).

sustainability, supporting forest products, wildlife habitat, clean water and air, and public recreation. Since participating in the program, Montana has been very successful competing nationally to fund projects, primarily in northwest Montana. To date, the program has helped fund 213,155 acres of FWP conservation easements and 17,043 acres of fee title acquisitions in the form of wildlife management area lands. Funding partners for these forest projects have included Trust for Public Land, The Nature Conservancy, U.S. Fish and Wildlife Service, Rocky Mountain Elk Foundation, F.H. Stoltze Land and Lumber Co., Stimson Lumber Co., Weyerhaeuser Co., Bonneville Power Administration, Fish and Wildlife Conservation Trust, and many other organizations and landowners.

Benefits Associated with Wildlife Habitat Conservation

Although FWP's core purpose with Habitat Montana and related programs has been incentive-based strategic habitat conservation, the societal benefits of these projects are often broader. Over the span of habitat conservation projects, benefits have included: soil and water are conserved; landscape-scale ecological functions are sustained; watershed quality has been maintained and improved for communities, fisheries, and other downstream users; accomplishments have supported the removal of species from federal Endangered Species Act listing or avoidance of listing; access to outdoor recreation has been secured and enhanced; conservation easement projects have helped support keeping ranchers on the land and maintaining rural and agriculture-based lifestyles; conservation easements have averted urban-sprawl in fire-prone forest settings and related fire management issues; rural business and agricultural economies have been supported and enhanced; the wood products industry has benefitted by retaining and supporting

sustainable working forests; scenic open-space values have been preserved; and other less tangible quality-of-life benefits have been maintained or enhanced.

MANAGING CONSERVATION LAND PROJECTS

The intent of Habitat Montana and its associated funding sources, including Forest Legacy, is to

conserve wildlife habitat in a manner that recognizes and supports traditional agricultural uses of the land (ARM 12.9.508 et seq.). For over 30 years, Habitat Montana projects have demonstrated how wildlife and agriculture can coexist and even benefit each other. FWP is employing a number of "working lands" measures to enhance wildlife habitat productivity while directly benefiting local communities. These include:

- Local producers lease farm ground on various Wildlife Management Areas (WMAs) across the state to produce crops while assisting with game bird food plots, weed control, and cover restoration;
- neighboring ranchers lease WMA grasslands for grazing livestock in a manner that provides habitat diversity, enhances palatability of exotic grasses (such as bromegrass), and establishes grazing systems with neighboring lands to improve cover and forage over a larger area, beneficial to wildlife and livestock;
- implementing forest management prescriptions that directly benefit wildlife habitat functions such as forage production, diversity of structure, enhanced survival or expansion of aspen, and keeping big game winter ranges from being overtaken by conifers, while benefiting contract foresters, logging companies, and wood product mills.



Forest treatment on the Blackfoot-Clearwater Wildlife Management Area, Missoula County (Photo Credit: J. Parke).



Grazing treatments on the Blackleaf WMA, providing a more diverse mix of cover and foraging options for big game and other wildlife, Teton County (Photo Credit: K. Johnson).

In a similar fashion, conservation easements have been used by landowners to accomplish a

variety of objectives that follow a similar theme. Landowners have sold conservation easements to FWP to achieve a variety of personal objectives including keeping the ranch intact from subdivision or conversion to other uses, a tool for estate planning, maintaining a tradition of providing public access, paying off debt, expanding and enhancing ranching operations, and retaining working forests to support local industry and other values.

Consistent with the Mission and Goals of Habitat Montana (ARM 12.9.508 et seq.), each of these examples, across wildlife management areas and conservation easements, support durable wildlife habitat benefits, implement systems that are compatible with wildlife and agriculture, and support economic and cultural values, while enhancing Montana's quality of life for present and future generations.

The following sections provide additional information on maintenance and taxation of wildlife lands, and monitoring conservation easements.

Land Maintenance: Twenty percent of the Habitat Montana revenue is used for operation and maintenance of all FWP wildlife lands. According to statute (MCA 87-1-242), 50% of these funds are deposited in the Habitat Trust Account. The remaining 50% and interest from the Habitat Trust Account are available for funding maintenance projects, totaling approximately \$750,000 annually in recent years. The majority of these funds are used to meet the intent of the Good Neighbor Policy (MCA 23-1-126(2)) including fence maintenance, road maintenance, and weed control on FWP fee ownership lands. FWP funding from non-earmarked hunting license



Access road improvements constructed during 2017 at Haymaker WMA, Wheatland County (Photo Credit: T. Mannat).

revenue, Pittman Robertson funds, state and federal grants, and donations are also used to pay for operations and management costs of WMAs, totaling well over \$1 million that are in addition to Habitat Montana funding. Each year the Wildlife Division completes an average of 15 large maintenance and construction projects at a cost of approximately \$550,000.

The 2009 legislature passed a measure that allowed FWP to invest income from forest treatments back into forestry work on FWP lands. The Wildlife Division has since planned and implemented a number of forestry projects on Mt. Haggin, West Kootenai, Mt. Silcox, Marshall Creek, Threemile, Sun River, and Blackfoot Clearwater WMAs. These and anticipated future projects serve to enhance wildlife habitat and address fuel and forest health issues. A separate forestry report by FWP is available for the 2019 Legislative Session.

Taxes: For Wildlife Division lands, FWP pays to the county in which the land resides "a sum equal to the amount of taxes which would be payable on county assessment of the property were it taxable to a private citizen" (MCA 87-1-603). For tax year 2018, FWP paid \$478,282 in tax payments on Wildlife Division lands.

Conservation Easement Monitoring: Approximately \$25,000 of Habitat Montana funding helps pay for annually monitoring each conservation easement to assure easement compliance and to work with landowners on any issues that may arise. The major terms in FWP conservation easements involve both *protection* and *management* of the Land.

- Protection: This refers to easement terms such as subdivision and building limitations on the
 land. Normal farming practices continue, but no new fields are broken. No commercial
 activities are typically allowed other than those appropriate to agricultural practices. Mining or
 other mineral extractions are addressed in the easement with the goal of minimizing impacts to
 the conservation values.
- Management: This refers to day-to-day practices agreed to in a management plan that assure vegetation, soils, water, and other habitat features are conserved as a part of ongoing agricultural activities, and recreation is maintained at an appropriate level to serve the public good while avoiding conflicts.

 Management often includes developing and implementing livestock grazing systems, access plans for the recreating public, and habitat restoration. Initial



Sprawling sagebrush grasslands with pockets of ponderosa pine on the Hirsch Ranch Conservation Easement, Custer County (Photo Credit: K. Johnson).

improvements necessary for implementing management plans are often paid for in part using Habitat Montana funds (e.g., parking lots, gates, fences, stock water systems). Once improvements are in place, the ongoing need associated with managing conservation easements is monitoring, maintaining regular communication with landowners, updating management plans as needed, working with and informing new landowners of easement terms, and working on periodic compliance issues.

2017-2018 WILDLIFE LAND PROJECTS – HABITAT MONTANA AND OTHER FUNDING SOURCES

The following section summarizes all FWP wildlife conservation easement and fee title projects completed during calendar years 2017 and 2018. The funding sources vary among projects, of which some do not include Habitat Montana funding (Tables 1 and 2). A more detailed narrative summary of each land project follows in the order listed in the tables.

Table 1. Wildlife conservation easements (WCE) purchased through the Fish, Wildlife and Parks' Wildlife Division during calendar years 2017 and 2018. Some projects include a Landowner donation, which is not included as part of the purchase cost. The Agricultural Land Easement (ALE) program provides federal funding for conservation easements through the USDA Natural Resources Conservation Service. Table 1 continues on the next page.

Transaction Date	Site Name	Туре	Purchase Cost	Funding Source	Acres
February 1, 2017	Trumbull Creek CE	WCE	\$9,500,000	Forest Legacy - \$6,500,000 Habitat Conservation Program - \$2,000,000 Habitat Montana - \$800,000 Montana Fish & Wildlife Conservation Trust - \$200,000 Landowner Donation - \$3,223,000	7,068.85
November 8, 2017	Keogh CE Addition	WCE	\$46,400.00	Habitat Montana - \$36,400 Mule Deer Foundation - \$10,000	41.31
February 15, 2018	Lazy Creek CE - Phase 1	WCE	\$10,500,000	Forest Legacy - \$7,000,000 Habitat Conservation Program - \$2,000,000 Habitat Montana - \$1,500,000 Landowner Donation - \$5,034,000	7,018.24
June 20, 2018	Horse Creek Complex CE (ALE)	WCE	\$4,300,000	Habitat Montana - \$2,680,180 Natural Resource Conservation Service - \$1,619,820	part of the below acreage
June 20, 2018	Horse Creek Complex CE (FWP)	WCE	\$1,850,000	Habitat Montana - \$1,850,000 (Cost for additional 4,840.11 acres not included in the ALE-CE)	15,376.60
October 4, 2018	Lazy Creek CE - Phase 2	WCE	\$6,500,000	Forest Legacy - \$4,000,000 Habitat Conservation Program - \$2,000,000 Migratory Bird Wetland Program - \$300,000 Habitat Montana - \$200,000 Landowner Donation - \$3,740,000	3,200.00
November 16, 2018	Fargo Coulee CE	WCE	\$897,000	Natural Resource Conservation Service - \$455,625 Habitat Montana - \$441,375	2,707.00
December 17, 2018	Birdtail CE	WCE	\$2,350,000	Mule Deer License Auction - \$37,000 Elk License Auction - \$70,000 Habitat Montana - \$2,243,000	3,980.00

Transaction Date	Site Name	Туре	Purchase Cost	Funding Source	Acres
Scheduled to close by December 31, 2018	White Deer Meadows	WCE	\$1,762,000	Habitat Montana - \$1,762,000 Landowner Donation - \$100,000	404.86
Scheduled to close by December 31, 2018	North Sunday Creek (ALE)	WCE	\$2,736,000	Habitat Montana - \$1,221,600 Natural Resource Conservation Service - \$1,514,400	part of the below acreage
Scheduled to close by December 31, 2018	North Sunday Creek (FWP)	WCE	\$696,000	Habitat Montana - \$446,000 The Conservation Fund - \$250,000 (Cost for additional 3,929.41 acres not included in the ALE-CE)	14,300.75
<u>Total Acreage</u> of WCEs completed during calendar years 2017 and 2018, including WCEs scheduled to be completed by December 31, 2018:				54,097.61	

Table 2. Fee title land acquisitions completed through the Fish, Wildlife and Parks' Wildlife Division during calendar years 2017 and 2018.

Transaction Date	Site Name	Туре	Purchase Cost	Funding Source	Acres
March 15, 2017	Lost River Addition	WMA	\$700,000	Pittman Robertson - \$525,000 Habitat Montana - \$175,000	640.00
June 23, 2017	Grant Marsh - JTX Addition	WMA	\$1,492,000	Pittman Robertson - \$1,077,235.31 Habitat Montana - \$414,099.83 Prorated Taxes - \$664.86	382.32
June 23, 2017	Grant Marsh – Tunnicliff Addition	WMA	\$80,000	Pittman Robertson - \$60,340.57 Habitat Montana - \$19,498.57 Prorated Taxes - \$160.86	50.13
July 20, 2017	Blackfoot- Clearwater Addition	WMA	\$200,000	Habitat Montana - \$200,000	22.22
December 14, 2017	Fleecer Mountain Addition	WMA	\$620,000	Pittman Robertson - \$473,662.78 Habitat Montana - \$121,337.22 Rocky Mountain Elk Foundation - \$25,000	194.28
September 24, 2018	Fish Creek Addition	WMA	\$900,000	Habitat Montana - \$830,000 Northwest Energy Thompson Falls - \$60,000 Trout Unlimited - \$10,000	276.00
<u>Total Acreage</u> of fee title acquisitions completed during calendar years 2017 and 2018:					1,564.95

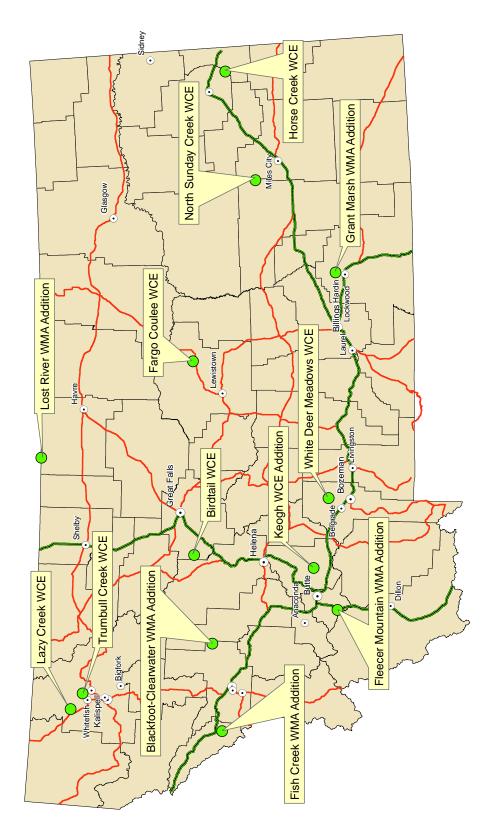


Figure 1. General location of each wildlife land project completed during calendar years 2017 and 2018.

CONSERVATION EASEMENTS

Trumbull Creek Conservation Easement

The 7,069-acre Trumbull Creek Conservation Easement is located northwest of Columbia Falls at the south end of the Whitefish Range. The land is owned and managed by F.H. Stoltze Land and Lumber Company, primarily for timber production. The easement protects priority wildlife habitat, important to moose, mule deer, white-tailed deer, and many species of concern including federally-listed grizzly bears and Canada lynx. In addition to the wildlife benefits, the project helps ensure a sustainable harvest of forest products, preserves important scenery, and supports watershed functions. Permanent public access to this property is also guaranteed as a result of the project. This conservation easement complements the Haskill Basin Conservation Easement, which was completed by FWP and partners in 2016. The Trust for Public Land was instrumental in helping coordinate completion of both of these conservation easements on Stoltze lands. These projects were highlighted in a video production for the Forest Legacy Program, which can be viewed here: https://vimeo.com/195321668. These conserved lands faced the likelihood of housing and other types of development, which would have directly impacted many public values, including wildlife habitat and public recreation opportunities. This type of development in these habitats would have resulted in chronic conflicts with grizzly bears.

Habitat: Coniferous Forest, Riparian, Stream



Figure 2. Upper reaches of the Trumbull Creek Conservation Easement, Flathead County (Photo Credit: A. Wood).



Figure 3. Trumbull Creek Conservation Easement in association with the FWP Haskill Basin Conservation Easement (completed in 2016), totaling 10,089 acres of conservation and public access across both projects.

Keogh Conservation Easement Addition

The Keogh Conservation Easement was originally purchased by FWP in 1996 to help conserve the Whitetail Creek valley with associated riparian habitats and native uplands. The property provides winter range for elk, mule deer, and antelope. The project also supports one of the west-most black-tailed prairie dog colonies in Montana, and includes breeding mountain plover, both species of concern. The current owner purchased a 41-acre inholding and worked with FWP to incorporate this parcel into the existing conservation easement. The addition to the conservation easement ensures the parcel will not be developed, which could have directly impacted the conservation values of the parcel and the surrounding ranch.

Habitat: Bunchgrass Grassland, Sagebrush Grassland, Shrubland, Coniferous Forest



Figure 4. Foothill big game winter range habitats, part of the Keogh Conservation Easement, Jefferson County (Photo Credit: V. Boccadori).

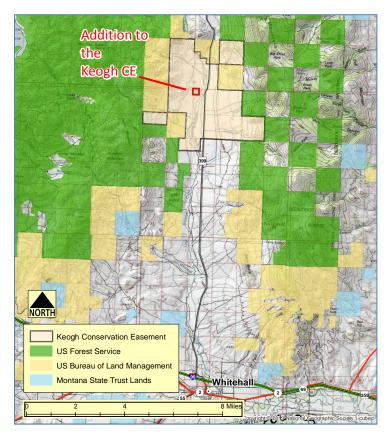


Figure 5. The 41-acre addition to the Keogh Conservation Easement, Jefferson County.

Lazy Creek Conservation Easement Phases I and II

The two phases of Lazy Creek Conservation Easement, totaling 10,218 acres, were the culmination of an extensive 4-year partner effort involving Trust for Public Land, Weyerhaeuser Co., USFS Forest Legacy Program, U.S. Fish and Wildlife Service, Montana Department of Natural Resources and Conservation (DNRC), and FWP. This project provides high value habitat for a diverse mix of terrestrial, aquatic, and wetland wildlife species. This includes hunted species such as deer, elk, moose, bear, lion, wolf, turkey and forest grouse, as well as 42 species of greatest conservation need. The area is considered crucial for spring grizzly habitat. The watershed is critical to the health of Whitefish Lake and provides wildlife habitat connectivity between the Whitefish and Salish Mountains. The forest resources are among the highest priority for conservation in Montana due to their productivity and other factors, as identified by DNRC's 2010 Montana State Assessment of Forests. These forests will continue to serve as a source of wood products for local industry and will remain open to public hunting and other compatible public uses.

Habitat: Coniferous Forest, Wetland, Stream, Riparian



Figure 6. A pair of trumpeter swans using Meadow Lake on the Lazy Creek Conservation Easement, Flathead County (Photo Credit: R. Northrup).

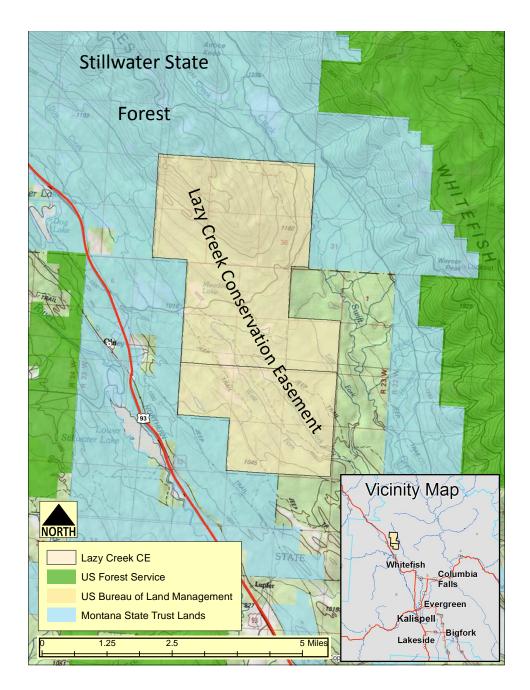


Figure 7. Overview of Phases I and II of the Lazy Creek Conservation Easement, totaling 10,218 acres.

Horse Creek Complex Conservation Easement

The Horse Creek Complex Conservation Project entails two separate conservation easements held by FWP, the first funded in part by the USDA Natural Resources Conservation Service's Agricultural Land Easement (ALE) Program and the second funded entirely by Habitat Montana. The two separate easements were necessary due to specific program restrictions of ALE regarding cropland.

The conservation easement funded solely by Habitat Montana encompasses the entire 15,377-acre ranch, overlapping with the ALE conservation easement. The larger conservation easement ensures the ranch remains as one unit and implementation of the easement terms are laid out in one management plan.

The unique mix of habitats conserved through this conservation project include sagebrush-grasslands, hardwood draws, badlands, and 13 miles of prairie streams. The habitats provide year-round habitat for mule deer, antelope, sage-grouse, sharp-tailed grouse, wild turkeys, and pheasants. The property also supports 39 species of greatest conservation need, as identified in Montana's current State Wildlife Action Plan. The easement terms protect against converting native habitats to tillage agriculture or other forms of development that would impact the conservation values. The terms also guarantee public access for hunting and other compatible forms of recreation on the ranch, which also abuts 5,000 acres of state and federal lands.

Habitat: Mixed Grassland, Sagebrush Grassland, Prairie Stream, Riparian, Wetland



Figure 8. Five prairie streams flow into or through the Horse Creek Complex Conservation Easement, making for a productive mix of habitats and natural water sources, Wibaux and Dawson Counties (Photo Credit: A. Stenson).

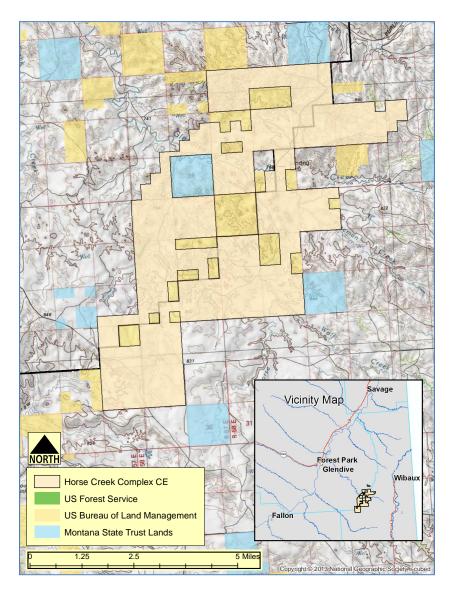


Figure 9. Overview of the Horse Creek Complex Conservation Easement, totaling 15,376 acres.

Fargo Coulee Conservation Easement

The 2,707-acre Fargo Coulee Conservation Easement comprises sagebrush grassland habitats entirely within a sage-grouse core focal area. Nine active sage-grouse leks occur within 4 miles of the conservation easement. The property also supports mule deer, pronghorn antelope and several species of concern including declining grassland bird species – Baird's sparrow, Sprague's pipit, long-billed curlew, and Brewer's sparrow. The conservation easement property connects with three additional landlocked sections of DNRC lands. In total, this project provides 4,607 acres of public hunting opportunity.

Habitat: Sagebrush Grassland



Figure 10. Core sage-grouse habitat conserved by the Fargo Coulee Conservation Easement, Fergus County (Photo Credit: S. Andersen).

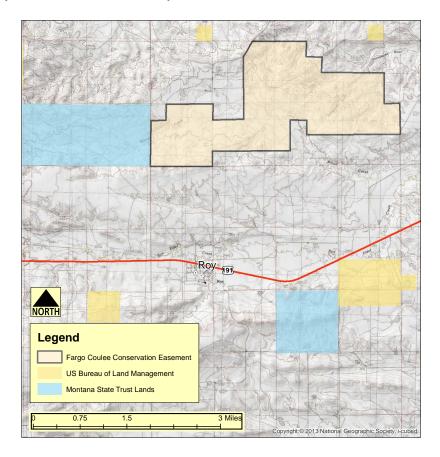


Figure 11. Overview of the Fargo Coulee Conservation Easement, totaling 2,707 acres.

Birdtail Conservation Easement

Deer, elk, bear, forest grouse, sharp-tailed grouse, mountain lions, and furbearers are afforded excellent habitat on the Birdtail Conservation Easement. This 3,980-acre foothill property northwest of Cascade is dominated by bunchgrasses intermixed with riparian and shrubland habitats. The property includes two prominent buttes (Figure 12). These habitats also support 34 species of concern, including golden eagles and other raptors, long-billed curlews, and other grassland bird species that have experienced significant declines in abundance and distribution. The ranch provides public hunting and wildlife viewing opportunities. This conservation easement helps to retain these habitat and recreation values in perpetuity while continuing to operate as a working ranch.

Habitat: Bunchgrass Grassland, Shrubland, Riparian



Figure 12. Foothill bunchgrass habitats extending over the Birdtail Conservation Easement, with Lionhead Butte on the left and Birdtail Butte on the right, Cascade County (Photo Credit: B. Lonner).

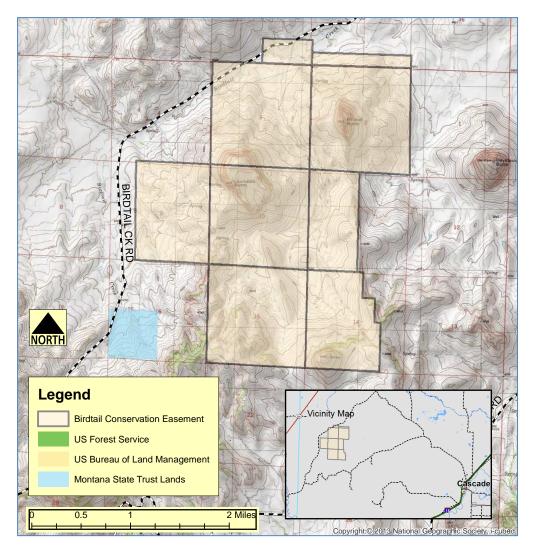


Figure 13. Overview of the Birdtail Conservation Easement, totaling 3,980 acres.

White Deer Meadows Conservation Easement

Two FWP conservation easements help to conserve the critical Armstrong Mule Deer Winter Range at the northwest end of the Bridger Mountains. FWP completed the 880-acre Maher Conservation Easement in 1994. The White Deer Meadows CE is immediately adjacent, involving another 405 acres of land. The easement includes native foothill shrubland habitats, essential for wintering deer, along with riparian areas and 160 acres of cropland. These projects ensure critical habitats will remain functioning, in spite of considerable development in the greater Bozeman area. Both conservation easements also guarantee public hunting access on the private lands and adjacent national forest lands.

Habitat: Bunchgrass Grassland, Shrubland, Coniferous Forest, Riparian



Figure 14. Cottonwood creek drainage with a portion of the Armstrong Mule deer Winter Range in the background, all parts of the White Deer Meadows Conservation Easement, Gallatin County (Photo Credit: J. Cunningham).

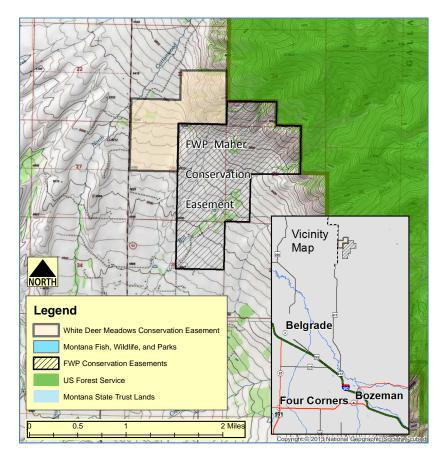


Figure 15. Overview of the 404-acre White Deer Meadows Conservation Easement in association with the Maher Conservation Easement, also administered by FWP.

North Sunday Creek Conservation Easement

The North Sunday Creek Conservation Project entails two separate conservation easements held by FWP, the first funded in part by the USDA Natural Resources Conservation Service's Agricultural Land Easement (ALE) Program and the second funded by Habitat Montana and The Conservation Fund. The two separate easements were necessary due to specific program restrictions of ALE regarding cropland. The conservation easement *not* funded by ALE encompasses the entire 14,301-acre ranch, overlapping with the ALE conservation easement. The larger conservation easement ensures the ranch remains as one unit and implementation of the easement terms are laid out in one management plan.

The project conserves a large block of intact native grassland and sagebrush grassland habitats, benefitting a complement of prairie species including pronghorn antelope, sage-grouse, sharptailed grouse, mule deer and many species of concern including Sprague's pipit, McCown's longspur, chestnut-collared longspur, Baird's sparrow, brewer's sparrow, long-billed curlews, burrowing owls, golden eagles, and black-tailed prairie dogs. The property includes over 20 miles of prairie streams. In addition to the deeded land, the conservation easement also guarantees public hunting access to another 3,000 acres of BLM and DNRC lands.

Habitat: Sagebrush Grassland, Riparian, Prairie Stream



Figure 16. Vast intact prairie and sagebrush habitats make up nearly 90% of the cover types on the 14,301-acre North Sunday Creek Conservation Easement (Photo Credit: S. Atwood).

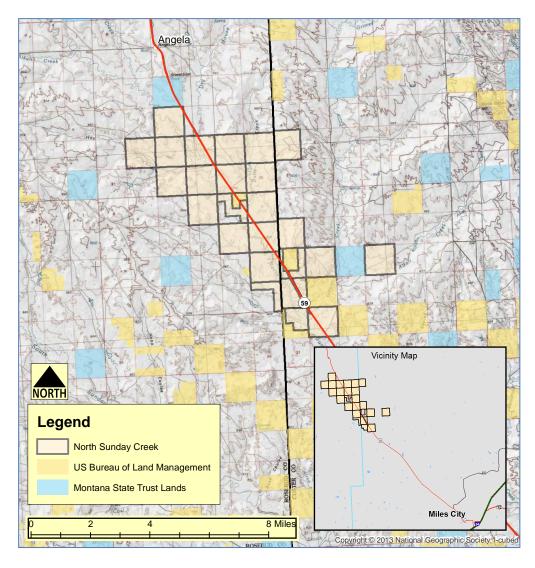


Figure 17. Overview of the North Sunday Creek Conservation Easement, tentatively scheduled to close during

FEE TITLE ACQUISITIONS

Lost River WMA Addition

The Lost River Wildlife Management Area supports a combination of Milk River bottomlands, breaks, and mixed grass uplands, providing habitat for a variety of game and non-game species, including grassland bird species of concern. The property is popular for its white-tailed deer, mule deer and pheasant hunting opportunities. This 640-acre inholding addition to the WMA helped block up FWP ownership, allowing easier public and administrative access through the length of the WMA, while reducing conflicts with private lands.

Habitat: Mixed Grassland, Sagebrush Grassland, River, Riparian



Figure 18. The Milk River and associated riparian habitats, winding through mixed grass prairie within the 640-acre addition to Lost River Wildlife Management Area (Photo Credit: S. Thompson).

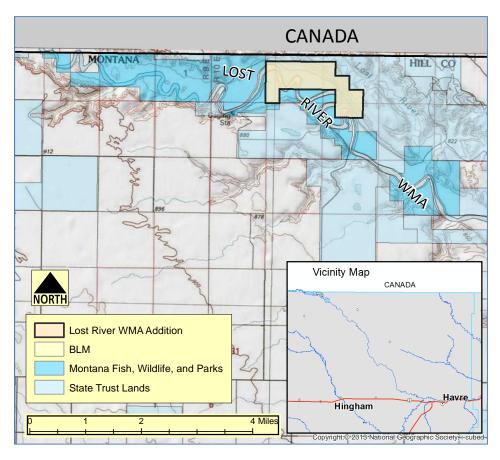


Figure 19. Overview of the new addition to Lost River Wildlife Management Area, Hill County.

Grant Marsh WMA Additions

FWP purchased two additions to the Grant Marsh WMA, totaling 432.5 acres. These additions add to the extraordinary Bighorn river riparian and floodplain habitats that make up this popular property. These purchases help ensure one of the largest remaining blocks of intact riparian habitat in the Bighorn River Valley will continue to be conserved and made accessible for public recreation. This includes a 27-acre Montana Department of Transportation wetland mitigation project, which will be managed cooperatively with MDOT. Much of the remaining river bottom habitats in the valley have been converted to irrigation cropland. These additions provide high quality habitat for wild turkey, white-tailed deer, pheasants, wood ducks, Canada geese, and other waterfowl species. The Grant Marsh WMA additions also comprise 96 acres of irrigated cropland which will be farmed to provide productive habitat in the form of cover crops and food resources, for wintering game birds and other wildlife.

Habitat: Riparian, River, Mixed Grassland, Cropland



Figure 20. Bighorn River riparian bottomlands, part of the new additions to Grant Marsh Wildlife Management Area (Photo Credit: M. O'Reilly).

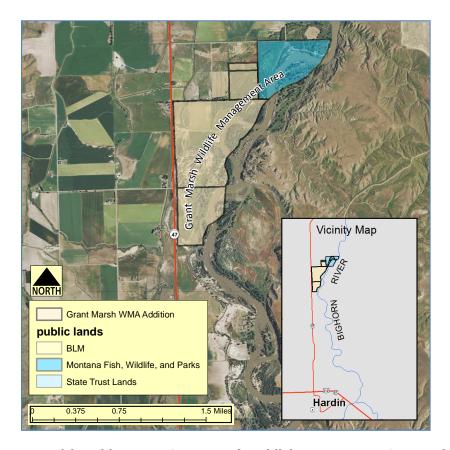


Figure 21. Overview of the additions to Grant Marsh Wildlife Management Area, Bighorn County.

Blackfoot-Clearwater WMA Addition

The Blackfoot-Clearwater "Game Range" was first established with the purchase of the 10,800-acre Boyd Ranch in 1948. The property provides critical elk and deer winter range and is a popular hunting and elk-viewing destination. The WMA has expanded through time to conserve a contiguous block of winter and spring habitats for big game, reducing depredation conflicts with neighboring private lands. Some of these habitats are enhanced through cooperative grazing systems with neighbors and recent forestry treatments. A small parcel of land on the north side of the WMA, along Woodworth Road, was offered for sale to FWP. This acquisition (referred to as the Willard Addition) provides FWP ownership up to the county road, which helps reduce public trespass issues. The new parcel shares a boundary to the south with DNRC State Trust Land that is managed under an FWP conservation easement. Purchase of this strategic parcel also ensures this part of the WMA will not be impacted by an adjacent housing development; the county road provides a more practical property boundary.

Habitat: Coniferous Forest



Figure 22. Aerial of the addition to the Blackfoot Clearwater Wildlife Management Area, as viewed from the north, looking south toward the north end of the WMA, Missoula County. The gold polygon is an approximation of where the new addition lies, as the boundary follows Woodworth Road (Photo Credit: S. Eggeman).

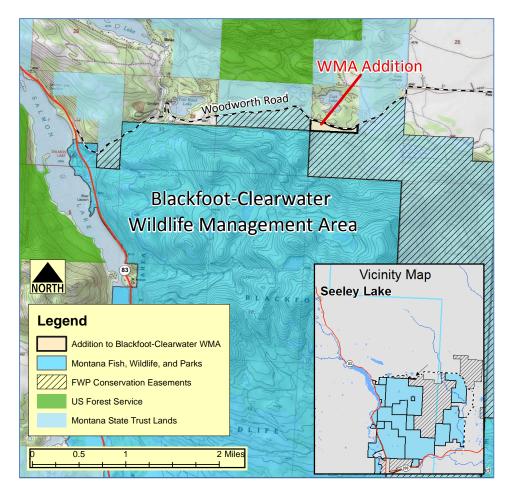


Figure 23. Overview of the 22-acre addition to the Blackfoot Clearwater Wildlife Management Area, Missoula County.

Fleecer Mountain WMA Addition

Fleecer Mountain WMA provides critical winter range habitat for elk and deer. A strategic 194-acre parcel of land between the WMA and a public road was offered for sale to FWP. This linear parcel comprises 2 miles of Divide Creek and 100 acres of wetland habitats. Under private ownership, the parcel had been a chronic source of conflicts due to elk depredation on the irrigated hay lands. This addition to the WMA had high potential for housing development along 2 miles of the WMA. Such a development would have impacted the integrity of the WMA, including likely disturbance and displacement of 700-900 wintering elk. This acquisition establishes a more suitable WMA boundary along a public road. FWP is leasing the irrigated hay/pasture land to a neighboring ranch for continuing to irrigate as hay and pasture land. The irrigated land will provide spring green-up habitat for elk and deer.

Habitat: Bunchgrass Grassland, Wetland, Riparian, Stream, Irrigated Pasture



Figure 24. Divide Creek riparian wetland habitats, running through the length of the 194-acre Fleecer Mountain WMA addition (Photo Credit: R. Northrup).

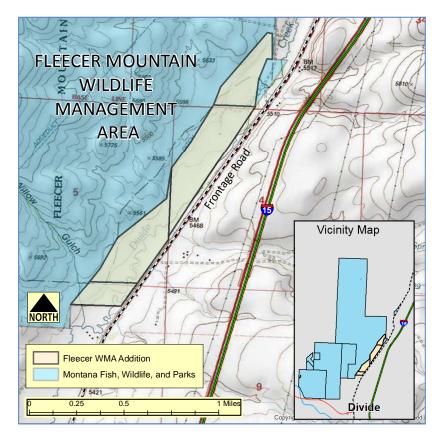


Figure 25. Overview of the Fleecer Mountain WMA addition, Silver Bow County.

Fish Creek WMA Addition

The Fish Creek WMA provides priority winter habitat for deer, elk, and moose, high value spawning habitat for westslope cutthroat trout and the federally-listed bull trout, and an important forest carnivore linkage between the Ninemile Divide and the Bitterroot Mountains. The WMA provides considerable public recreation for hunting, wildlife viewing, fishing, and winter recreation. Two strategic parcels of land, under one ownership, totaling 276 acres were offered for sale to FWP. One parcel includes 1.2 miles of Fish Creek, along with tributary creeks and associated riparian habitats. The other parcel is forested. One parcel is entirely within the WMA and the other is within the WMA and adjacent National Forest lands. Both parcels had the potential for housing development, which would have directly impacted habitat functions on the WMA, as well as on the parcels themselves. Such development could also have conflicted with public recreation on the WMA.

Habitat: Bunchgrass Grassland, Coniferous Forest, Riparian, Stream, Aspen



Figure 26. Fish Creek, Hey Creek, and lower Ruben Gulch, with their associated deciduous riparian habitats make up a large portion of this in-holding addition to the Fish Creek Wildlife Management Area, Mineral County (Photo Credit: L. Bradley).

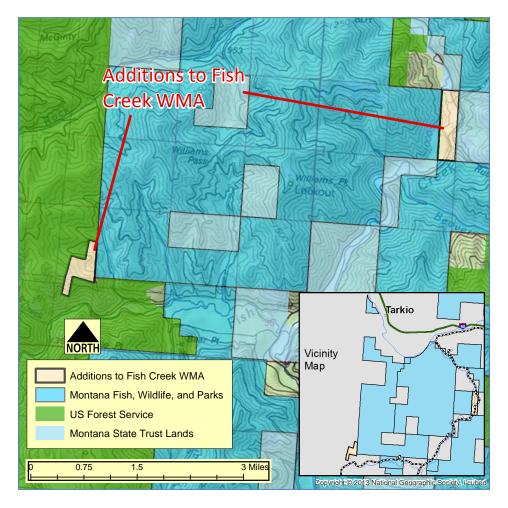


Figure 27. Overview of the Fish Creek WMA Additions, totaling 276 acres.